

and credit rating agencies, whose seal of approval gave way to excessively risky practices that led to a financial collapse.

Finally, it requires investment advisors to act for the sole benefit of their client under the law, exercising the highest standard of care.

Finally, this legislation addresses egregious executive pay compensations by putting an end to compensation practices that encourage executives to take excessive risk at the expense of their companies, shareholders, employees, and ultimately the American taxpayer.

It also provides shareholders of public companies with an annual, non-binding vote on executive compensation and golden parachutes for the top five executives, requires independent directors on the compensation committees of public companies, and authorizes the SEC to restrict or prohibit "inappropriate or imprudently risky compensation practices" at large financial firms (with at least \$1 billion in assets).

In conclusion, this legislation will modernize America's financial regulations as we seek to prevent last year's financial conditions from ever happening again. America is on the road to recovery, and we need this legislation to ensure that the recovery is permanent.

Mr. MARKEY of Massachusetts. Madam Speaker, one of the most critical elements of the legislation now before us is the establishment of tough new regulation of the over-the-counter derivatives market. This reform is long overdue and I strongly support the legislation now before us.

I am pleased to say that I can wholeheartedly support this bill because—thanks to language agreed upon by Chairman PETERSON, Chairman WAXMAN and myself—it ensures that the expansion of Commodity Futures Trading Commission's authority over derivatives will not in any way limit the Federal Energy Regulatory Commission's authority to regulate energy markets. FERC plays a critical role in ensuring that those markets deliver energy reliably and at just and reasonable rates.

The bill preserves FERC's role in three ways:

First, the bill amends the Commodity Exchange Act to fully preserve FERC's authority over agreements, contracts, and transactions entered into pursuant to a FERC-approved tariff or rate schedule. An exception is made for instruments that are executed, traded, or cleared on a CFTC-registered entity. However, it is the drafters' understanding and intention that CFTC cannot construe this exception to limit FERC's underlying authority. For example, FERC-regulated entities, such as Regional Transmission Organizations and Independent System Operators, would not be required to register with CFTC based on their utilization of Financial Transmission Rights or other instruments to facilitate the physical operation of the electric grid. Nor will CFTC require instruments of that nature to be executed, traded, or cleared on some other CFTC-registered entity.

Second, in any area where FERC and CFTC have overlapping authority, the bill requires the two agencies to conclude a memorandum of understanding delineating their respective areas so as to avoid conflicting or duplicative regulation. Where FERC has regulatory authority, CFTC is permitted to step back and let FERC do its job. It is the drafters' understanding and expectation that CFTC will recognize FERC's primacy with regard to en-

ergy markets that it comprehensively regulates.

Finally, the bill states that it does not in any way limit or affect FERC's existing authority, under Section 222 of the Federal Power Act and Section 4A of the Natural Gas Act, to protect against manipulation of the electricity and natural gas markets. As one of the principal authors of these anti-manipulation provisions, which were included in the Energy Policy Act of 2005, I see the preservation of this authority as critical to ensuring fair and transparent energy markets. These provisions were drafted broadly to allow FERC to protect against the use of any manipulative or deceptive device or contrivance "in connection with" FERC-regulated electricity and natural gas markets, regardless of where such manipulation occurs.

With these elements now included in the legislation, I strongly urge my colleagues to vote "yes" on this legislation.

Mr. FRANK of Massachusetts. I yield back the balance of my time.

The Acting CHAIR. All time for general debate has expired.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. WATT) having assumed the chair, Ms. TITUS, Acting Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, had come to no resolution thereon.

#### IMMIGRATION CREATES JOBS

(Mr. POLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POLIS. Mr. Speaker, I rise today to highlight a report just released by the Fiscal Policy Institute, a non-partisan research group, regarding the contributions of immigrants in the 25 largest U.S. metropolitan areas. The report makes official what we have known all along: Immigration and economic growth go hand-in-hand. That's right. Immigrants boost economic productivity and create jobs.

This has been true throughout our Nation's history. It's been true during boom times and during tough times. It's true yesterday, today, and tomorrow. Immigrants help our economy. Cities with a growing proportion of foreign-born workers have "well above average economic growth." Immigrants expand the labor and consumer markets and fuel growth.

In my home State of Colorado, immigrant workers and business owners have added billions of dollars and tens of thousands of jobs. The usual suspects will cry we lie with these facts. But their prejudices will no longer prey on our uncertainties. Thanks to this report, we can all say we know better. Together we can embrace comprehensive immigration reform, help our Na-

tion recover, and create jobs for Americans.

#### IMMIGRANTS AND THE ECONOMY [From the Fiscal Policy Institute] EXECUTIVE SUMMARY

This report examines the economic role of immigrants in the 25 largest metropolitan areas in the United States. The results are clear: immigrants contribute to the economy in direct relation to their share of the population. The economy of metro areas grows in tandem with immigrant share of the labor force. And, immigrants work across the occupational spectrum, from high-paying professional jobs to low-wage service employment.

Immigrants contribute significantly to the U.S. economy. In the 25 largest metropolitan areas combined, immigrants make up 20 percent of the population and are responsible for 20 percent of economic output. Together, these metro areas comprise 42 percent of the total population of the country, 66 percent of all immigrants, and half of the country's total Gross Domestic Product. This report looks at all U.S. residents who were born in another country, regardless of immigration status or year of arrival in the United States.

##### 1. IMMIGRATION AND ECONOMIC GROWTH OF METRO AREAS GO HAND IN HAND

An analysis of data from the past decade and a half show that in the 25 largest metropolitan areas, immigration and economic growth go hand in hand. That's easily understandable: Economic growth and labor force growth are closely connected, and immigrants are likely to move to areas where there are jobs, and not to areas where there are not.

Between 1990 and 2006, the metropolitan areas with the fastest economic growth were also the areas with the greatest increase in immigrant share of the labor force. The economies of Phoenix, Dallas, and Houston saw the fastest growth in immigrant share of labor force, while all showed well above average economic growth in these years and Phoenix experienced the fastest growth of all metro areas. By contrast, Cleveland, Pittsburgh and Detroit metro areas experienced the slowest economic growth and among the smallest increases in immigrant share of labor force.

Economic growth does not guarantee, however, that pay and other conditions of employment improve significantly for all workers. The challenge is to make sure that immigrants and U.S.-born workers struggling in low-wage jobs share in the benefits of economic growth.

##### 2. IMMIGRANTS CONTRIBUTE TO THE ECONOMY IN PROPORTION TO THEIR SHARE OF THE POPULATION

The most striking finding in the analysis of 25 metro areas is how closely immigrant share of economic output matches immigrant share of the population. From the Pittsburgh metro area, where immigrants make up 3 percent of the population and 4 percent of economic output, to the Miami metro area, where immigrants represent 37 percent of all residents and 38 percent of economic output, immigrants are playing a consistently proportionate role in local economies.

The Immigrant Economic Contribution Ratio (IECR) captures this relationship, measuring the ratio of immigrant share of economic output to immigrant share of population. An IECR of 1.00 would show that immigrants contribute to the economy in exact proportion to their share of the population; above 1.00 indicates a higher contribution than share of population and below indicates lower.

In over half of the largest 25 metro areas, the IECR hovers very close to parity, measuring between 0.90 and 1.10. In only three metro areas—Phoenix, Minneapolis, and Denver—does the IECR go below 0.90; in eight metro areas it is above 1.10.

Two main factors explain this close relationship. First, immigrants are more likely than their U.S.-born counterparts to be of working age. A higher share of the population in the labor force offsets cases where immigrants have lower wages.

Second, immigrants work in jobs across the economic spectrum, and are business owners as well. Although immigrants are more likely than U.S.-born workers to be in lower-wage service or blue-collar occupations, 24 percent of immigrants in the 25 metro areas work in managerial and professional occupations. Another 25 percent work in technical, sales, and administrative support occupations. In fact, in 15 of the 25 metro areas, there are more immigrants in these two higher-pay job categories taken together than there are in service and blue-collar jobs combined. And, immigrants are also entrepreneurs. Immigrants account for 22 percent of all proprietors' earnings in the 25 largest metro areas—slightly higher than their share of the population.

3. FAVORABLE EARNINGS AT THE TOP OF THE LABOR MARKET; DIFFICULTIES AT THE BOTTOM

At the high end of the economic ladder, immigrants earn wages that are broadly comparable to their U.S.-born counterparts in the same occupations. Immigrants working in the professions—doctors, engineers, lawyers, and others—earn about the same as U.S.-born professionals in almost all metro areas. The same is true for registered nurses, pharmacists, and health therapists, and for technicians.

At the low-end of the labor market, wages can also be roughly similar for foreign- and U.S.-born workers. However, in service occupations, most workers have a hard time making ends meet. Both U.S.- and foreign-born workers earn well below the median in almost every service occupation examined in this report—including guards, cleaning, and building services; food preparation; and dental, health, and nursing aides.

The clear challenge for service jobs is to raise pay for all workers, U.S.- and foreign-born alike.

Some blue-collar workers are in a similar position, with both immigrants and U.S.-born workers showing low annual earnings. In certain blue-collar occupations, however, immigrant workers earn considerably less than

their U.S.-born counterparts. In the 25 metro areas combined, for example, the median earnings for U.S.-born workers in construction trades is \$45,000, while the median for immigrants is just \$27,000. Although wages in blue-collar jobs have eroded in recent decades, in the early years of the post-World War II period several blue-collar occupations paid workers, primarily men without college degrees, family-sustaining wages. The discrepancy today between U.S.- and foreign-born earnings in these occupations thus presents a challenge: to raise all workers to the standard that has been set by some, as a means to improve pay for low-wage workers in the occupation and to protect higher-wage earners.

Unions have played an important role in raising pay in many areas, including some blue-collar jobs. By contrast, the relatively low unionization rate in service jobs helps explain the consistently low pay. Unions continue to play an important role in raising wages and equalizing differences in pay for all workers, documented or otherwise. Although undocumented immigrants are legally permitted to join unions, in practice unscrupulous employers have frequently found ways to take advantage of the status of undocumented workers to thwart their efforts.

In the 25 largest metro areas, the average unionization rate is lower for immigrants than for U.S.-born workers—10 percent compared to 14 percent. With immigrants playing a major role in the labor force, they are also playing a significant role in unions, making up 20 percent of all union members in the 25 largest metro areas.

A closer look at the five largest metro areas in the East—New York, Philadelphia, Washington, Atlanta, and Miami—reveals that the same experience applies to them. Economic growth and immigration generally go hand in hand; immigrants work in all occupations; those in managerial, professional, and technical occupations fare relatively well, those in service and blue-collar jobs less so. Atlanta experienced the biggest growth in immigrant share of the labor force and the fastest growth in its overall economy.

THE POLICY CONTEXT

The current recession has pushed up unemployment, prompting some to feel that sharp restrictions on immigration would help the economy. But, creating a climate that is hostile to immigrants would risk damaging a significant part of the country's economic fabric. Immigrants are an important part of

the economies of the 25 largest metro areas, working in jobs up and down the economic ladder. Immigration is highly responsive to demand—the immigrant share of the labor force increases with economic growth. Immigrants are part of the same economy as other workers, getting paid well in jobs at the top of the ladder and struggling in jobs in the economy's lower rungs.

While the immigrant labor force brings many benefits to the U.S. economy, it also presents political, economic and social challenges. This is especially true in the context of an extremely polarized economy, relatively low unionization rates, weak enforcement of labor standards, and a broken immigration system. Immigration has always been an important part of America's history, and it will continue to be a part of our future. Addressing these complex problems would be a better path for policymakers than wishing away immigration. This report presents an empirical look at the role of immigrants in the U.S. economy, in the hopes of informing a constructive public debate that will result in much-needed policy reform.

REVISION TO BUDGET ALLOCATIONS AND AGGREGATES FOR CERTAIN HOUSE COMMITTEES FOR FISCAL YEAR 2010 AND THE PERIOD OF FISCAL YEARS 2010 THROUGH 2014

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. SPRATT) is recognized for 5 minutes.

Mr. SPRATT. Madam Speaker, under section 325 of S. Con. Res. 13, the concurrent resolution on the budget for fiscal year 2010, I hereby submit for printing a revision to the budget allocations and aggregates for certain House committees for fiscal year 2010 and the period of fiscal years 2010 through 2014. This adjustment responds to House consideration of the bill H.R. 4213, the Tax Extenders Act of 2009. A corresponding table is attached.

This revision represents an adjustment for the purposes of sections 302 and 311 of the Congressional Budget Act of 1974, as amended. For the purposes of the Congressional Budget Act of 1974, as amended, this revised allocation is to be considered as an allocation included in the budget resolution, pursuant to section 427(b) of S. Con. Res. 13.

BUDGET AGGREGATES  
(On-budget amounts, in millions of dollars)

|  | Fiscal years— |           |            |
|--|---------------|-----------|------------|
|  | 2009          | 2010      | 2010–2014  |
| Current Aggregates: <sup>1</sup>                 |               |           |            |
| Budget Authority .....                           | 3,668,601     | 2,882,149 | (?)        |
| Outlays .....                                    | 3,357,164     | 3,002,606 | (?)        |
| Revenues .....                                   | 1,532,579     | 1,653,728 | 10,500,149 |
| Change for Tax Extenders Reform Act (H.R. 4213): |               |           |            |
| Budget Authority .....                           | 0             | 4,548     | (?)        |
| Outlays .....                                    | 0             | 4,548     | (?)        |
| Revenues .....                                   | 0             | –6,049    | 4,688      |
| Revised Aggregates:                              |               |           |            |
| Budget Authority .....                           | 3,668,601     | 2,886,697 | (?)        |
| Outlays .....                                    | 3,357,164     | 3,007,154 | (?)        |
| Revenues .....                                   | 1,532,579     | 1,647,679 | 10,504,837 |

<sup>1</sup> Current aggregates do not include the disaster allowance assumed in the budget resolution, which if needed will be excluded from current level with an emergency designation (section 423(b)).

<sup>2</sup> Not applicable because annual appropriations Acts for fiscal years 2011 through 2014 will not be considered until future sessions of Congress.

DIRECT SPENDING LEGISLATION—AUTHORIZING COMMITTEE 302(a) ALLOCATIONS FOR RESOLUTION CHANGES

(Fiscal Years, in millions of dollars)

| House Committee                   | 2009 |         | 2010  |         | 2010–2014 Total |         |
|-----------------------------------|------|---------|-------|---------|-----------------|---------|
|                                   | BA   | Outlays | BA    | Outlays | BA              | Outlays |
| Current allocation:               |      |         |       |         |                 |         |
| Ways and Means <sup>1</sup> ..... | 0    | 0       | 6,840 | 6,840   | 37,000          | 37,000  |